Maurice Hinchey NEWS

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HINCHEY SAYS GOP "HEALTH" BILL ONLY HELPS INSURANCE COMPANIES, NOT PATIENTS

WASHINGTON - U.S. Representative Maurice Hinchey (NY-22) today criticized a Republican bill purported to address the problem of rising health insurance costs. Hinchey said he would vote against the so-called "HEALTH Act" because it limits the ability of aggrieved patients to seek just compensation and does nothing to reduce insurance premiums or to limit frivolous lawsuits.

"The only thing made healthier by the HEALTH Act are the profit margins of insurance companies and the pocketbooks of their CEOs," said Hinchey. "This is no different than Republicans' disingenuous efforts at passing a Patients Bill of Rights or a Medicare prescription drug benefit, just one more giveaway to their friends in the insurance industry."

The Help Efficient, Accessible, Low-Cost, Timely Healthcare (HEALTH) Act is now being debated by the House of Representatives and will be voted on later today. Its proponents have touted this bill as a remedy for rising health care costs, claiming that capping the dollar amount of damages that may be awarded to victims of malpractice will reduce malpractice insurance premiums. They blame frivolous lawsuits for driving up premiums and reducing access to health care.

"There is a crisis in malpractice rates in this country, but this tort reform bill doesn't do anything to address it," Hinchey added. "It doesn't freeze rates, as we ought to. It doesn't stop malpractice insurance providers from bailing out of the market. It doesn't investigate ways that we can prevent these persistent, cyclical crises in malpractice insurance rates, as we must do to stabilize prices over the long term. And it doesn't do anything to help foster competition in the market."

Hinchey favors a plan that would establish a commission to make recommendations to eliminate this cyclical problem and would freeze malpractice premiums at last year's levels until the commission issues its report. It would also prevent medical malpractice insurers from abruptly exiting the market, as the St. Paul Company did in 2001, touching off the latest crisis.